GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:1535
ANSWERED ON:13.03.2002
PROHIBITION OF ENTRY OF MTNL INTO ILD .
SUDIP BANDYOPADHYAY;VINAY KUMAR SORAKE

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government propose to prohibit MTNL and BSNL from entering the International Long Distance Services;

(b) if so, the details thereof;

(c) whether it is a fact that such a step will adversely affect the valuation of these two entities; and

(d) the decision of the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY

(SHRI TAPAN SIKDAR)

(a) No, Sir.

(b) Does not arise in view of (a) above.

(c)&(d): The Government has decided that Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Ltd. (MTNL)will route their International Long Distance (ILD) calls through Videsh Sanchar Nigam Limited (VSNL) for a period of two years afte transfer of management control to the strategic partner as a `Most Favoured Customer` which would be at market rate. This dispensation was granted as full and final settlement of every sort of claim against preponing of ILD demonopolisation of VSNL by two years.

BSNL/MTNL can however apply for licence to enter ILD sector any time as per their requirement.